



Educational Reform;
Its Relation to a Solution of the Industrial
Deadlock.

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MR. PRESIDENT, LADIES AND GENTLEMEN:

Half a century ago, the greatest of the world's democracies learned by one of the bitterest lessons in history the absolute impossibility of harbouring the institution of slavery, autocratic rule over a portion of our fellow men, in a democratically free country. To-day we witness the selfsame struggle on a vastly more gigantic scale, in a world effort to uproot autocracy as a principle of rule from its last political stronghold on our planet. Thus have the two principles of liberty and domination ever struggled for ascendancy since a member of the human species first consciously gained control of others for his own ends. Thus will they ever struggle until all recognize that the only justice in social control rests on securing the greatest benefit to all—not to some; and until it is universally recognized that such control cannot justly be super-imposed but must arise from society itself, by its own consent and with its own approval. A taste of democratic freedom is intoxicating. Once acquired, it knows no bounds. But such freedom, if it is to be real, must be based on social intelligence and a well-developed ethical feeling, or it may take the form of license, that is, failure to recognize the equal rights of others. When this condition is reached, democracy becomes self-defeating.

Notwithstanding so clear a recognition of the incompatibility of democratic freedom and autocratic rule in political affairs, so clear that it has become a world issue, men have, for various reasons, been very slow to recognize this as the root cause of the existing antagonism in industry. Nearly all institutions in free countries have become democratic, that is, controlled by the consent of the constituents. In industry, the autocratic method still largely prevails. There is no possibility of this condition remaining permanent. The continual strife between capital and labour in the industrial field is rooted in this. It will not,

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it cannot, be eliminated until we have gradually developed a spirit and evolved a method which will effectively democratize industrial relations. On the one side, we have capitalists lined up and lining up in combinations to look after what they believe to be their own interests. On the other, we have labour combining more and more in trade unions. Each of these works secretly for what it conceives to be its own ends. Neither realizes clearly that the aims of both are, or should be, one and the same. Capital has dominated and in most cases autocratically controlled the situation. No concerted action has been taken by both sides to get together and study the business of production as a co-operation of capital, intelligence and labour, which it really is. We are all vitally interested in this situation, for the existence and welfare of all society depend on the efficiency of the co-operation of these factors of industry. Society cannot forever continue to allow the capitalist to jeopardize the welfare of us all by insisting on an antiquated, autocratic attitude towards labour in production. A way out must be found.

Clearly such solution of the difficulty must consist of two factors. The present antagonism, which is very real and which is based, I believe, on a deep economic misunderstanding and narrow view of the place and function of industry in society—a failure to see clearly that the true end and purpose of industry is to contribute in the most effective manner to human welfare, in place of considering human welfare as subsidiary to industry—and which further arises from lack of good-will and the higher standard of ethical feeling which this view implies, must gradually be eliminated by the practical but thorough inculcation of this saner economic understanding and ethical standard. In addition to such thorough social and economic training, for which our educational institutions must be held mainly, if not entirely, responsible, efficient machinery must be created for getting together and smoothly adjusting the inevitable differences of opinion which will always arise between employers and employed. If this social training is coupled with and arises out of such reformed educational programmes and methods as will make it a natural outgrowth of real experience—a much more scientific, practical and thoroughly democratizing education than that imparted under the present educational régime—and if it is extended down through all our educational institutions so as to reach all future employers and workmen, the existing atmosphere of suspicion and antagonism will gradually give place to increasing confidence and understanding. There will then be no insuperable difficulty in creating and smoothly working an organization for giving expression to the essential

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unity of aim and purpose of all the factors in industry, which will thus come to be realized by the rising generation. But if such a social foundation is not laid by our general educational programmes and methods, so as to form in all, or in the great majority, a basis for this saner economic and ethical understanding, this truly democratic spirit which must characterize both sides, such organization will be certainly a partial, and probably a complete, failure. Organization may express but will not originate the disposition to get together.

Just here lies the greatest necessity for reform in our whole present educational system. Our system has aimed too exclusively at developing individuals as such. If I may speak unreservedly, I would say that it is failing almost utterly in training each youth to understand his economic and social place and responsibilities in our present, highly organized, industrial, democratic society. This is no reproach. The present situation is a natural result of educational history and tradition, a matter I need not dwell upon with this audience. But, we have reached the parting of the ways. Those who are in closest touch with industrial operations will, I believe, agree with me that the social phenomena which come constantly under our observation indicate that a great readjustment in industrial relationships, based on a complete change of view as to the proper economic and ethical principles which should underlie the relations between capital and labour, must gradually be brought about, if industry is not to drift more and more towards deadlock, the signpost that marks the down-hill slope to revolution. The necessity of this clear view of whither we are drifting and of the broad principles that must guide us in this readjustment is most urgent. Without the forward vision, which can be given only by a clear discernment of economic and ethical principles, there can be no steady social progress—there will result only patchwork and makeshifts.

Hence we must look to our educational system as a whole, to form in each student brought under its influence: that knowledge and breadth of mind in economic matters; that saneness of view regarding industrial and all other social relationships; that sense of justice, that humaneness of feeling, that desire for the practical application of the 'golden rule' in all our communal affairs, that general ethical sensitiveness; which must form the indispensable, psychological condition and groundwork on which any final settlement of the industrial dispute must be based. For it is not the symptoms, but the cause, of this chronic ailment of the social body which we wish to root out. And all relationships in human society, whether good or bad, desirable or undesirable, are but outward

expressions of those psychological realities, those mental states—those understandings, ethical dispositions, mental attitudes—which it should be the fundamental purpose of education, in the broadest sense, to create and of which it is the business of our educational institutions, viewed in the narrower sense, to lay the foundation.

To a section of the Educational Association a few days ago I expressed my views on this subject in these words: "It is not the main business of our schools and colleges to impart that knowledge which is mere information; nor even to cultivate, to stimulate the power of, research, discovery and independent thinking—of vastly greater importance though this may be; but it is their main business, as I conceive it, to lay the foundation of, and as far as opportunity offers to build in each student who passes through them, that sound and sterling character which is manifested in all social relationships by standing four square to every temptation, economic or other. . . . Now sound character alone, the ethical habit, the determination to do right come what may, may suffice in the simpler relationships of life. But the great scientific and industrial progress that has been made within the past century has resulted in so enormously increasing the complexity and extension of human relationships, that the ordinary man, unless specially trained with that definite end in view, finds the greatest difficulty in framing for himself any reliable ethical judgment, in many of the difficult situations constantly confronting him. He is frequently unable to decide intelligently as to the ethically right course of action because he is unable to reason clearly as to the probable proximate and more remote social consequences of his choice. Of what use will mere ethical habits, sound character and goodwill be, unless these are accompanied by, and based on, definite training leading to clear insight into the highly complex and intricate, political, economic and other social relationships into which practically every activity finally enters? Quite possibly two centuries ago, or even one century ago, before the invention of the locomotive, the power-driven machinery of great factories, the press, the telegraph, the telephone, the wireless, had led to those vast and complicated economic organisations and that high degree of specialization of work which characterize industry to-day, this special training may have been less necessary. But now, with the rapid progress of scientific discovery, invention and industry, increasing more and more these complexities of human inter-relations, the young adult just entering into independent life, unless specially trained as suggested, is caught in the economic swirl, without chart or compass. His bark may be sound and seaworthy but, if he has no knowledge of the

invisible cross-currents of the social sea on which a vessel setting sail, it is almost inevitable that he will drift far from his true course even though he may not be ship-wrecked. Will any one contend that an educational system that omits such special training in economic and other social relationships and responsibilities, such grounding in the essential principles of the social sciences—economics, civics, politics, ethics—not as abstract studies, but as principles deduced naturally from the student's activities, environment, experience—will any one contend that a system which does not incorporate the fundamental principles of these as a compulsory part of every course of study, can be counted as an adequate preparation for the complex relationships and responsibilities the maturing student is about to enter into?

"Man's comparatively recent scientific advance, arising mainly from the discovery that the true course of intellectual progress must be founded on a careful examination of the relations of the persons and things around him, has given him such an insight into the laws expressing these relations, that he has been enabled more and more to utilize nature's unlimited stores of matter and energy to his own advantage. But the great material rewards yielded by the practical applications of the physical, chemical and mechanical laws discovered has concentrated attention mainly on those sciences whose province is material nature. It seems not to have been generally so clearly discerned that a necessary result of the very great extension of co-operation and specialization required to reap these material rewards—to carry out great industrial enterprises, to build and operate vast systems of communication and distribution and to organize the complicated financial arrangements on which these are based—has been a gradual but almost incredible increase in the complexity of social organization. Our educational arrangements are being gradually adjusted to meet the industrial requirement. Engineering courses, industrial schools of many kinds, vocational classes and above all a generally greater emphasis on the scientific side of the programmes of studies followed by our more academic educational institutions, all indicate an awakening to this necessity, though very much still remains to be done even in this direction. This is perhaps of primary importance, since social advance must ever rest on, and to a considerable extent be conditioned by, intellectual and material progress. But in the direction of definite training of students to meet the second half of the problem, we may safely say scarcely a beginning has been made. So far as I am aware no systematic effort is made in our public schools and none in our secondary schools to meet this great need, while only very limited attention is given to this question even in our universities.

"Perhaps I may be permitted to express the opinion in passing, though discussion of this phase of the question must be excluded from this paper, that until the present almost pure symbolism in matter and methods of pedagogy in our schools, particularly in our lower schools, is replaced by a more scientific system—a system based on widening and deepening the real experience of the student by constant use of actual materials under such conditions as will deliberately and continually call into play the socializing influences of conscious organization and co-operation and of sharing and interchange of information by the young, in working together towards common ends—very little of real social value is likely to be accomplished. A mere course of book study or of lectures about these relationships will have little, if any, vital relation to the student's experience, will give him but little real insight into the social aims and purposes of the complex economic and civic activities in which he will share after leaving school and will have almost no practical effect on conduct. Among the gravest defects of our entire general educational system at present are the paucity of actual material things brought into use as an educational medium; the assumption that real education can be acquired chiefly through a carefully graded manipulation of the symbols of knowledge; the too ready acceptance of facility in the use of these symbols as a substitute for real education and the failure to discern clearly the undemocratic evils which necessarily result from a programme and methods based on this false conception. This has resulted in inefficiency in many directions. For we must conceive the intellectual aims of real education to be the acquirement of that power and eager desire which grapple quickly and intelligently with the difficulties of such original practical situations as arise in life outside the schoolroom; the attainment of that readiness and adaptability which quickly bring to bear on the solution of such difficulties, every available resource or experience, whether obtained personally, or through consultation with others, or from accumulated stores of recorded experience. It must develop: that originality which quickly discerns a new problem and seizes on its essential conditions; that concentration which leads to its clear statement and the rejection of irrelevant conditions; that judgment which selects with reasonable sureness the problem worth tackling and rejects the problem incapable of solution or the one likely to cause the frittering away of an unreasonable amount of time, energy or capital in effecting its solution. We must, in other words, regard it as the chief intellectual aim of school and college education to assist the student to acquire that vitalizing contact with, that intelligent

rooting of experience in, those real things and activities of the world in which he lives, which alone stimulate and sustain real mental growth, and an intelligent inductive study of which, secures best the material progress, and strengthens most the moral purposes, of mankind. This alone will form a secure foundation for civilization based on justice, goodwill and the acceptance of responsibility.

"It is this view of education that must prevail, it is the scientific means thus suggested that must be adopted, if an opportunity is to be afforded of giving the student a real insight into the fundamental principles that form the basis of social and moral science. Only thus can he acquire intelligent experience. And only by discovery of the moral and social aspects of his growing experience can any real foundation be laid for intelligent future decisions affecting conduct. The method of pure symbolism, if followed here, will prove as barren as did the routine of scholasticism of the medieval ages, before the methods of modern science furnished the clue, by following which the human intellect was guided out of the dismal darkness in which it had groped, with little real progress, for centuries."

The educational reform thus briefly outlined will, if effectively brought about, prepare the necessary economic and ethical basis—the indispensable, psychological foundation—which must be the primary condition of all real progress toward a solution of the existing industrial difficulty. Let us now turn to the other factor of the solution. Let us discuss briefly the factor of organization for adjusting differences between employers and employed, for expressing the more democratic spirit in industry, which it is one of the purposes of this reform in educational matter and methods to create. Let us examine broadly the principles which must govern the design and construction of the social machinery whose purpose is to bring together, on the basis of amicable discussion of differences, the two interests, now regarded as inherently antagonistic. The solution of a problem which appears very complicated is sometimes much simplified by a clear grasp of the underlying principle. Just as the application of the laws of gravitation greatly simplified the astronomical problems connected with planetary motions, so will a thorough application of the right principle here greatly simplify the many economic and other social problems which await solution in the proper adjustment of the relations between capital and labour.

I have already expressed the view that the great industrial strife is but one phase—it may be the final phase—of the struggle, many centuries old, for democratic freedom. In politics, democratic peoples

have attained to practical equality; in economics, they have not advanced beyond subordination. This 'half slave, half free' condition of society cannot be other than a transition stage in our onward march toward a fuller freedom. It is my belief that the progressive solution of this industrial difficulty will most readily be found by accepting this view as a guiding principle and gradually conforming our views, our habits of thought, our mental attitudes to this conception. This will form a standard whereby we may so adjust the many industrial differences which arise from time to time, as to ensure real progress toward social harmony and justice, rather than mere temporary evasion. I assume, of course, that it is such real progress, and not mere evasion, that is desired. I have no wish to minimize the difficulties which, because of the necessity of gradually educating each side to higher ideals, I realize to be very great. But great as they are, they will only become greater—they are, in fact, insuperable—if tackled without a guiding principle.

At the recent meeting of the Canadian Mining Institute in Montreal, I discussed the principles of such an organization under the title: "The Whitley Scheme; A Step toward Democratizing Industrial Relations"—in part, as follows:

"It will, of course, be at once clear to all who give earnest thought to the matter, that any real improvement in the industrial situation implies not so much a change of external formality in relationships between the parties to the industrial strife, as a change of heart. No mere change in tactics will answer. Real co-operation, unity of aim and purpose, feeling of partnership in industry, can arise only from a clear-headed understanding of the deep, underlying, economic realities of the situation and a sympathetic determination to act on the square. When this economic understanding and this ethical determination are reasonably developed on each side, there will be no insuperable difficulty arising from creating machinery, organization, means, for getting together. But, if these mental conditions do not pre-exist, the most perfect machinery that can be devised for the purpose will be of no avail. There will be no intelligence to guide it and no motive power to actuate it. Hence, those who have this problem at heart and have any real understanding of the essence of it, will make use of every available educational influence to this end. Clear understanding, essential cordiality, and downright good-will may succeed even with imperfect machinery. But without these, the whole arrangement becomes a sham, a makeshift, a temporary bulwark that only increases the disaster when it finally gives way.

"Nevertheless, proper organization for getting together is not to be despised. Suitable and efficient arrangements for this purpose will go far towards maintaining a proper and sympathetic atmosphere and will assist in keeping up and in increasing good-will. They will also furnish the best opportunity for continuing that democratic education whose groundwork we are pre-supposing as prepared during school life. Bungling organization, like badly designed machinery, causes much loss in friction and may lead to an early breakdown.

"In this creation of democratic organization for unifying the aims of capital and labour, Great Britain is once more the pioneer. We instinctively turn to her for industrial experience, as a child turns to a wise parent. Her experience in industry is many centuries older than ours. Her labour is much more highly unionized. Her trade unions have passed through two centuries of struggle. Her differences between labour and capital are more clearly defined. Her class distinctions, for other (historical) reasons, are more marked—a fact that has added to the bitterness between capital and labour. These conditions had brought the industrial dispute in Great Britain to such a stage that, by 1914, many felt that such general strikes were imminent, as would amount almost to, if they did not end in, a revolution. The war suddenly diverted attention from the quarrel. Though some domestic bickering has continued, all parties loyally joined hands in the superhuman effort against the common enemy. The war has, at least for the present, removed from capital all self-complacency, which was a large factor in the domestic strife. The nation is already face to face with an inconceivable debt which is mounting at an appalling rate. The food supply is threatened. The nation is about to put forth its extreme exertion. There is no room now for old quarrels. Dust and cobwebs have been cleared away. England is never at her best until her back is to the wall. It required three years of war to brush away the last cobweb of self-complacency. She is now not only thoroughly aroused to fighting mood, but has had her creative energy quickened by the crisis. In the awful throes and agony of the past year of war, Britain brought forth an industrial idea which, if broadly and wisely backed up in future by educational preparation, seems calculated to effect such a revolution in industrial relationships as will remove the malign social results of the pernicious economic policy followed since the industrial revolution of a century ago. In the blackest year of the war, just past, the British Government appointed a Commission whose principal work was to inquire into the causes of industrial unrest and to make suggestions for

removing the causes of discontent. The work was quickly and thoroughly done. The whole country was divided into eight industrial areas to each of which was detailed a small commission of three, consisting of one representative of employers, one of labour, and an impartial chairman. . . . While these industrial commissions were at work, a short preliminary report was sent to each by a sub-committee of the recently created Reconstruction Department, which at that time had merely the status of a committee appointed to consider the whole problem of industrial relations from the standpoint of post-war reconstruction.

"The chairman of this sub-committee was Mr. Whitley, whose name, for brevity, has been attached to the committee, to the report and to the general scheme embodied in the report. The broad recommendation of the Whitley Committee was the establishment in every organized trade of an Industrial Council, representing both employers and work-people and having as its object 'the regular consideration of matters affecting the progress and well-being of the trade from the point of view of all engaged in it, so far as is consistent with the general interest of the community.' This recommendation, modestly called an 'Interim Report on Joint Standing Industrial Councils,' was, in June of last year, sent to each of the eight small Industrial Commissions, who quickly secured for it a consideration by more than one hundred Employers' Associations and Trade Unions all over the country. The greatest interest in the proposal was manifested both by the industrial bodies concerned and by the press. There appeared to be at once a general feeling of relief that a possible solution had been found for what had come to be regarded as practically a deadlock. Nothing could indicate better than this feeling of relief the essential soundness at heart of both employers and employed. By October the replies had been received and correlated. The answers of nearly all of the Trade Unions and of most of the Employers' Associations were 'overwhelmingly in favour of the adoption' of the general principle of the Whitley Report. Backed thus, the Minister of Labour on October 20th informed the Employers' Associations and the Trade Unions of the decision of the Government to adopt the Whitley Report. The document announcing this decision by the Government made it clear:

- (1) that Joint Standing Industrial Councils be established in all the well-organized industries with as little delay as possible;
- (2) that these Councils would be considered by the Government as 'official standing Consultative Committees on all future questions affecting the industries which they represent' and

would be the 'normal channel through which the opinion and experience of an industry will be sought on all questions with which the industry is concerned,' and

- (3) that the Councils are to be 'independent bodies electing their own officers and free to determine their own functions and procedure with reference to the peculiar needs of each trade.' These autonomous councils will thus 'make possible a larger degree of self-government in industry than exists to-day.'

"These Joint Standing Industrial Councils, of national scope for each well-organized trade, will be supplemented by District Councils and these again by Shop Committees, on both of which masters and men will find equal representation.

"The scheme has met with the approval of the Council of the Federation of British Industries, the most representative organization of employers in Great Britain, and of the Trades Union Congress, and to all appearances is in a fair way to success.

"Mr. Wilson Harris is responsible for the statement that the idea of Joint Councils of masters and men originated with Mr. Malcolm Sparkes of London, an employer in the building and allied trades. He had 'laid before the men's unions in these trades a memorandum on industrial co-operation. The painters and decorators took the memorandum and applied it.' Their experience with the Industrial Councils already extends over about a year and has proven their practicability. The original purpose of these Joint Councils was, to use their official statement, 'to promote the continuous progressive improvement of the industry, to realize its organic unity as a great national service, and to advance the well-being and status of all connected with it.' This, as a spontaneous expression of idealism by a workmen's organization, is of deep significance. The District Councils in this trade have met regularly now for about a year under the masters' chairman and the men's chairman alternately and have successfully carried out some important constructive work at various centres in the country besides averting some disputes. The Whitley Committee is said to have received the original suggestion from this memorandum by Mr. Sparkes and elaborated it. It may later prove to be true, as in many other great movements, that when the time is ripe the same idea springs up in many minds at about the same time. Perhaps I may be allowed to remark in passing that the psychology of the social mind must never be lost sight of, if the study of the psychology of the individual mind is to be most fruitful. As well try to understand the anatomy and physiology of the hand without

reference to the alimentary, circulatory and nervous systems, as hope to succeed in a study of psychology of the individual mind without reference to the social mind with, and in, which it functions.

"On considering the question of representation a little more closely, it seems probable that the labour representatives on the District and National Councils under the Whitley Scheme will all be trade union leaders while the representatives of the employers will all be professional managers. The workman at the bench or lathe or loom or in the mine or elsewhere is generally not in close sympathy or close touch with either. If he is to feel a real co-operation between those who direct and those who perform the work, it will be through the Shop Committees. Success of the scheme will largely depend on perfectly frank, human intercourse between the representatives of both Councils and Committees, but above all, of the Shop Committees. If, as is hoped, 'such an atmosphere will be created that trade disputes will never be carried to the breaking point,' there will have to be, of necessity, the greatest sympathy, frankness and cordiality between the representatives of the workmen and of the management on these Shop Committees."

The spirit underlying the "Whitley Report" and the remarkably changed attitude towards organized industry are well shown in the last four paragraphs which are here quoted:

"23. It may be desirable to state here our considered opinion that an essential condition of securing a permanent improvement in the relations between employers and employed is that there should be adequate organization on the part of both employers and work-people. The proposals outlined for joint co-operation throughout the several industries depend for their ultimate success upon there being such organization on both sides; and such organization is necessary also to provide means whereby the arrangements and agreements made for the industry may be effectively carried out.

"24. We have thought it well to refrain from making suggestions or offering opinions with regard to such matters as profit-sharing, co-partnership, or particular systems of wages, etc. It would be impracticable for us to make any useful general recommendations on such matters, having regard to the varying conditions in different trades. We are convinced, moreover, that a permanent improvement in the relations between employers and employed must be founded upon something other than a cash basis. What is wanted

is that the workpeople should have a greater opportunity of participating in the discussion about and adjustment of those parts of industry by which they are most affected.

"25. The schemes recommended in this Report are intended not merely for the treatment of industrial problems when they have become acute, but also, and more especially, to prevent their becoming acute. We believe that regular meetings to discuss industrial questions, apart from and prior to any differences with regard to them that may have begun to cause friction, will materially reduce the number of occasions on which, in the view of either employers or employed, it is necessary to contemplate recourse to a stoppage of work.

"26. We venture to hope that representative men in each industry, with pride in their calling and care for its place as a contributor to the national well-being, will come together in the manner here suggested, and apply themselves to promoting industrial harmony and efficiency and removing the obstacles that have hitherto stood in the way."

The Report thus frankly recognizes the advantages of thorough organization of both labour and capital and encourages both employers and employed to organize—not, however, for hostile purposes but in order that they may effectively co-operate, after discussion and settlement of the conditions of the co-operation, with the national well-being as one of the central motives. And this was widely approved by both sides of British industry and adopted by the Ministry of Labour. What a change of ideal from the prevailing ante-war view of industry as a "jostling jumble of competitive firms, each attempting to secure advantage over its competitors or the public, by the demoralizing means of monopolies or unfair privileges, but each exploiting materials and men for private gain"!

"Political democracy was greatly advanced in Great Britain last year by the enfranchisement of 8,000,000 new voters. Industrial democracy has now started on its course with the historical document promulgated by the Ministry of Labour, which may be considered as its constitution. It undoubtedly has many rocks and shoals to discover, but that the right general course has been chosen there can scarcely be a doubt. This is by far the most interesting and far-reaching experiment in the improvement of industrial relations ever attempted in any country. When the history of Great Britain during the twentieth century comes to be written, the year 1917 will stand out as the date on which the Magna Charta of

industrial democracy was won—a date that may stand beside 1215 in importance. But one does not need to have a profound knowledge of history to recall that the great charter of political liberty, won seven centuries ago, was merely a starting point, a broad statement forecasting a freedom, much of which had to be struggled for in future and won bit by bit during a long period of time. ‘The Bill of Rights’, ‘The Habeas Corpus Act’, ‘The Act of Settlement’, the great Reform Bills, are a few outstanding milestones, marking successes in this long struggle. When the barons brought King John to his knees, long centuries had yet to elapse, a civil war had to be fought, a king executed, and many other struggles carried out, before the full rights of parliament were finally assured.

“Such facts as these should warn us against mistaking the forms of liberty for the reality. They should warn us, too, that the growth of real freedom is slow. The creation of parliament, the symbol of liberty, by no means meant that parliamentary liberty had been finally won. So now. These joint industrial councils and committees, these new symbols of industrial freedom, are merely organizations created for the purpose of winning and defining democratic freedom in industry. The long training in the orderly method of securing political liberty through parliament will, no doubt, prove of great value here. But while the new joint industrial councils and committees express clearly a general recognition that workmen have rights not yet obtained, including a right to share in the responsibility of defining them, the actual formulation and winning of these rights are in the future.

“It is, however, a great advance step that industrial civil war should end in the creation of the means for the orderly consideration, working out and definition of those rights, by the deliberate use of discussion on equal terms in the open, in place of under a constant threat of the exercise of might. Democracy has herein scored another great win. It is a long step forward in civilization when it is recognized for any new field that social progress (in this instance, in the industrial field) should be by a steady and orderly adaptation of social institutions and laws to changing conditions, under the action of free discussion and the pressure of public opinion thus created; and when it is further recognized that the primary condition of progress under such free discussion is such a flexibility and sensibility, combined with such an efficiency, of organization in our representative institutions, as will make the conclusions reached by these bodies a true generalized expression of the best opinion they are intended to reflect. How to combine this sensibility to the

best real opinion with a stability that will ensure a steady ship making progress on a true course, a ship that does not rock with every temporary wave of opinion nor drift with every current and breeze of social theory that impinges on it, is a problem whose solution has been fairly successfully worked out by long experience in political democracy. Much careful thought and probably some disappointing experiments will be required before an equally successful combination of checks and balances is secured in industrial democracy.

"But industrial democratic methods must surpass political methods in efficiency, which has always been their great weakness. Let us admit, once for all, that cumbersome machinery causing inefficiency cannot, and will not, be tolerated by either masters or men in democratic industry. If democracy in industry has to be won at the cost of efficiency in the highest sense, then it will prove not an assistance, but a hindrance, to social progress. For it must be recognized as an economic axiom that the greatest social advance can be obtained only on the basis of the most efficient production of those goods and services necessary for the satisfaction of human wants. Only a high degree of efficiency in economic service of all kinds, rendered by all in proportion to the ability of each, together with a fair and just distribution of the wealth thus produced, can secure a high standard of life for every one, act as incentive to every one to bring to bear his best efforts and ensure at the same time that leisure for social welfare and self-improvement on which the progress of human society depends.

"But I have no hesitation in expressing the opinion that the full application of the principle of democracy to industry will prove to be the most successful experiment in increasing efficiency in the truest sense yet tried. For I have more than a suspicion that efficiency experts, so self-styled, have had their attention so engrossed by the study of microscopic details that they have missed altogether their main principle, the very foundation on which any true theory of efficiency must be built. They have become so enamoured of the stopwatch and statistical method that they have ceased to look around them at the broad facts of human nature lying patent to all. Expert observation is always dangerous because it implies limited observation. The greatest resource in industry, till now remaining almost untapped, is the human will, the fountain-spring of all conscious human activity; and the greatest present industrial inefficiency and loss results from conflict of wills. If the full response of the human will can be secured for any enterprise or any purpose whatever, the entire ability of the individual is available. Without this,

there may be reluctant, inefficient activity, drudgery; with this, there is the joy of creative work, a calling into play of the entire physical and mental resources of the individual, to an even greater extent than he himself is aware of. The former wearies, while accomplishing little; the latter rejuvenates, while producing much. Students of conservation and students of efficiency, which should be merely a department of conservation, have not given this fundamental principle the attention it deserves. In England, unskilled women, having the will to do their best for war purposes, have doubled, trebled and frequently quadrupled the output of skilled men working under conditions of pre-war reluctance. Have you never seen equal results under a favorable contract system? If we could, by a single stroke, tap this resource to the full the day the war ceases, the incalculable war debts of all the belligerent nations would quickly melt away, there would be produced an abundance of all necessary goods and services for everyone and there would be abundant leisure for enjoyment and improvement. It is this paralleling of human wills that is the core of the problem of the 'democratization of industry'.

"This expression, 'the democratization of industry', does not, as some may fear, imply a condition of semi-anarchy, weak organization and uncertain discipline. It is a form of organization suited for, and possible of effective use by, only the highest type of civilization, it is impossible for a poorly developed type—a fact remarkably illustrated at this moment by conditions in Russia. Democratic civilization is a living, growing type; one whose fundamental principle implies the assimilation, into the organized mind, of the best opinion of its members; a type that has the organization and adaptability to external conditions produced by vitality; a type whose aim is perfect development, not mere bigness and power; a type whose growth is from below upwards, whose guiding principle is, 'of the people, by the people, for the people'; not a type proceeding 'from the top downwards,' hence artificial, rigid, inflexible, incapable of true growth or development to meet the highest human needs; the antithesis of the type super-imposed by might, whose ruthless principle is the 'blood and iron' trampling under foot of the rights of all when in conflict with an autocratic will. The democratic principle applied to industry means vastly increased, not lessened efficiency. High industrial efficiency results from a number of conditions among which are thorough organization and cheerful discipline. Every intelligent workman knows this as well as you do. Intelligent workmen, unless disaffected, feel pride in efficiency and dislike anarchy. The prime cause of the wide-spread disaffection that has existed is exactly

those autocratic conditions which the democratizing of industrial relations will remove.

"Industrial democracy merely demands that all the conditions of the co-operation of labour and capital in industry shall meet with the approval of both parties. Is there anything unreasonable in this demand? With the two parties, each vitally and equally interested, is it unfair? If the demands of capital are just, surely it is only right and can do no injustice to anyone to discuss its claims in the open. If the fear of capital is that labour cannot understand the economic questions involved—a view that is probably true to a great extent at present—capital has itself largely to blame, for it has had the greatest say in framing the educational policy of the times. The 'Whitley Scheme' will bring about a discussion on equal terms of all the conditions of co-operation of capital and labour. After many of the minor questions have been satisfactorily settled, inevitably, the question of the just distribution of the joint product of the co-operation will come into the discussion. Ever since the first parliament met many centuries ago, this has been in the lap of the future. It is now within measurable distance. It may happen to-morrow. It is for capital to decide quickly what it is going to do about the question. Neither you nor I created the issue. But we are wanting in intelligence if we do not recognize what is inevitably ahead. What a world pity, if it turns out that labour has not the breadth of view, nor any lack in the sense of responsibility, necessary for dealing with this vital question! What a world pity, if, in the trying days ahead of us, labour undertakes to deal with this question, without adequate knowledge of sound economics and social ethics, as a ballast; what a pity, if, in place of such sound and sane insight into these vital matters, which ought to be as universal as general intelligence, labour has been left to the mis-guidance of half-baked, utopian, social theories, picked up from a cheap sensational press or from irresponsible but interested, agitators! And in political government in Great Britain, too, with the very large labour vote, labour will be in position to enforce its demands. And let us not forget that Great Britain is blazing a trail which Canada must soon follow. It is up to us to prepare for like conditions in future by training all our on-coming citizens to exercise intelligently these increasing powers, with their implied responsibilities. This we can most quickly and most efficiently do by a sound social training in all our educational institutions, whose courses of study and methods should be adapted without delay to meet the rapidly increasing social (including economic) exigencies of the times. Though the task

is herculean and the need urgent, there is apparently no widespread, clear discernment of its urgency. No reconstruction scheme of greater importance or of more far-reaching consequences could be undertaken at the present moment. Clear general enlightenment on economic and other social questions is the only safe course, if our social evolution, under the influence of the profound social changes now in rapid progress in Great Britain, is to be orderly and progressive. Failure to acquaint ourselves with, and to adapt our institutions to meet, these conditions may spell disaster. Nor is it a question of whether we like it or not. Within the past few months this mighty stride forward in Great Britain has been made. Even had we the desire to do so, we could no more stay this onward social movement, than could Canute the in-coming tide. But we can prepare for it, and it is our highest duty to do so, with no unnecessary loss of time.

“It is not natural to me to be sensational or to be an alarmist. I am merely following a sense of public duty in stating these matters as they appear to me. But that this account is not a mere exaggeration of the quiet revolution that has taken place in England within the past few months, may be gathered from the following quotation from a speech by Lord Salisbury before his fellow peers. Referring to the workmen, who had saved the country on the battlefields of Europe, and who have now at home, as he put it, ‘to work out their own salvation, they will’, he said, ‘make many mistakes. Very likely they will adversely affect the property of many of your lordships. All these things are small matters. I earnestly hope that they will believe in us. I am quite sure that in the long run their good sense will prevail. But, whatever happens we intend to trust them, my lords, and I believe that they will return the trust.’ What an eloquent surrender! The greatest victory of the British armies in Europe is the victory of industrial democracy, thus fully admitted.

“Some of the ideals set before itself by industrial democracy may now briefly be summarised: If the capitalistic system is to remain, it must gradually be so reconstructed as to bring greater equality in status, in wealth, and in opportunity as between capital and labour. Further, it must never be forgotten that the State, the organized public, is a partner in all business. . . . The system of unlimited wage competition has been proven a failure. It has reduced great numbers below any possibility of maintaining a decent standard of life. The best solution for this difficulty may not have been found. But social enlightenment, a strong desire to find such a solution as will be both just and

efficient in its results, and the opportunity for unreserved discussion under the new joint councils and committees, will find the true principle. In the meantime there can be no serious mistake in adopting, as quickly as practicable, at least temporarily, the principle of the 'living wage'.

"We have in this new organization a frank recognition of the benefits derived from thorough and universal organization of labour on democratic principles. We have similar recognition of the benefit to be derived by the co-operation of employers. The acceptance of public service as the chief incentive for seeking high industrial efficiency may be yet in the distant future. The need of this higher incentive to replace the old incentive of private gain may be obscured by the many relatively minor matters immediately pressing. But the evolution of a still wider joint council—a national council to represent every industry—an industrial parliament of national scope—with the purpose of co-ordinating all industrial endeavour so as efficiently to meet social and national needs, would seem to be the next logical step forward. Can we estimate the advantage to the nation such a complete national organization of industry would have proven to be, had it been in existence when the crisis came in 1914? This spirit of public service in place of the selfish desire for private gain, as a guiding principle in business, as the true motive power of all industry, must be of gradual growth. Probably to a greater degree than one would suspect many already feel it as a ruling motive. It will require many a long year before the majority of men will act on the principle that their obligation to service is measured only by their ability—whether that ability consists in capital, intellect, or manual dexterity—to perform such service; before they will realize clearly that true ethics demands that every man be a servant precisely in those matters of which he has the most intimate knowledge and in which he has attained the greatest proficiency. 'In a true democracy, we are all masters in respect to the interests of the community as a whole and servants in respect to our own special abilities'. Our greatest mistake so far has been in considering industry as somehow outside of democracy. . . . How supremely important it becomes that for the exercise of the great responsibilities of citizenship in a democracy—whether political or industrial—every individual should definitely be prepared! The 'Whitley Scheme' is a remarkable step forward in democratising industry, but, if its benefits are to be realized in reasonable time, it must be backed up by such general economic and ethical enlightenment as shall make clear to the mass of the population, and not merely to a few, the high ideals that inspire it and the most practic-

able means for attainment of them. This is the minimum technical preparation necessary for efficiently operating the most delicate, but powerful, democratic machinery yet constructed."

In the world's history, the industrial epoch on which we are now well entered, has raised the most complex questions as to social and political relationships the human race has so far had to face. Unfortunately there are kaisers in industry just as there have proven to be in politics. The inevitable result in both cases has been war—in the one case for social and industrial freedom, and in the other for political freedom. Only enlightenment can create the co-operative, constructive spirit. But the enlightenment must be such as discriminates the large from the small, the principle from the detail, wisdom from mere knowledge. When, at last, we acquire wisdom as well as knowledge, we shall see that our industries exist for the benefit of all the people and not of the capitalist mainly; we shall see that the individual welfare can best be taken care of by caring for all; we shall see that capitalist and workmen are as inter-related as the parts of the human body; that neither is servant of the other, but that each is both servant and master; that we cannot injure the one without injuring the other; that we have here one of the highest problems the human mind has set itself to solve; that the best combined wisdom of all will be required to work out the best progressive solution of this greatest of industrial problems; that no solution of a problem of this nature will be final except in principle; that this is only one of those adjustments of human relations which must be continuous with the evolution of human society. When men have arrived at this broader view, they will become reasonable. We are safe in saying that centuries may be required in working out the solution to the industrial problem, since this is merely a problem in social evolution. Social evolution is the continuous adjustment of social relations to meet changing conditions. As long as these change, we must have the problem with us. It is easy to adjust the parts of a machine. But when each part is itself infinitely complex—is in fact a human being, whose adjustment in industrial relations must be self-adjustment—it is self-evident that any real mitigation of industrial ills must be founded on the gradual growth of intelligence and ethical feeling.

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